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Report

on CIA's Financing

of Special Groups

CPYRGHT

Here is the text of the Cabinet committee's report to President Johnson of Central Intelligence Agency support of voluntary organizations, released yesterday by the White House:

Dear Mr. President:

The committee which you appointed on Feb. 15, 1967, has sought, pursuant to your request:

- To review relationships between Government agencies, notably the Central Intelligence Agency, and educational and private voluntary organizations which operate abroad; and
- To recommend means to help assure that such organizations can play their proper and vital role abroad.

The committee has held a number of meetings, interviewed dozens of individuals in and out of government, and reviewed thousands of pages of reports. We have surveyed the relevant activities of a number of Federal agencies. And we have reviewed in particular and specific detail the relationship between CIA and each relevant organization.

Our report, supplemented with supporting classified documents, follows.

In the summary, the committee offers two basic recommendations:

1. It should be the policy of the United States Government that no Federal agency shall provide any covert financial assistance or support, direct or indirect, to any of the Nation's educational or private voluntary organizations.
2. The Government should promptly develop and establish a public-private mechanism to provide public funds openly for overseas activities of organizations which are adjudged deserving, in the national interest, of public support.

1: A NEW POLICY

The years immediately after World War II saw a surge of Communist activity in organizations throughout the world. Students, scientists, veterans, women and professional groups were organized into international bodies which spoke in the cadences, advocated the policies, and furthered the in-

terests of the Communist bloc. Much of this activity was organized, directed, and financed covertly by Communist governments.

American organizations reacted from the first. The young men and women who founded the United States National Student Association, for example, did so precisely to give American youth the capacity to hold their own in the international arena. But the importance of students as a



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... their report released by the President force in international events had yet to become widely understood and NSA found it difficult to attract private support for its international activities. Accordingly, the United States Government, acting through the Central Intelligence Agency, provided support for this overseas work. We have taken NSA as an example. While no useful purpose would be served by detailing any other CIA programs of assistance to private American voluntary organizations, one fundamental point should be clearly stated: such assistance was given pursuant to National Security Council policies beginning in October, 1951, and with the subsequent concurrence of high-level senior interdepartmental review committees in the last four Administrations. In December, 1960, in a classified report submitted after a year of study, a public-private Presidential Committee on Information Activities Abroad specifically endorsed both overt and covert programs, including those assisted by CIA.

Our study, undertaken at a later time, discloses new developments which suggest that we

should now reexamine these policies. The American public, for example, has become increasingly aware of the importance of the complex forms of international competition between free societies and Communist states. As this awareness has grown, so have potential sources of support for the overseas work of private organizations.

Growth Noted

There is no precise index to these sources, but their increase is suggested by the growth in the number of private foundations from 2220 in 1955 to 18,000 in 1967. Hence it is increasingly possible for organizations like NSA to seek support for overseas activities from open sources.

Just as sources of support has increased, so has the number of American groups engaged in overseas work. According to the Agency for International Development, there has been a nine fold increase just among voluntary organi-

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